

**EDUCATION AND TRAINING**  
**FOR**  
**COMMUNITY EMPLOYMENT CO-OPERATIVES**

**A PILOT PROJECT  
ORGANISED BY**

**THE VOCATIONAL ORIENTATION CENTRE**

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## THE PROJECT

### HISTORY

By late 1981 there were in Victoria up to twenty three community employment co-operatives either established or in the process of formulation. A number of these had been subsidised through funding from the State Ministry of Employment and Training's Co-operative Development Program and others were anticipating applying for subsidy. The co-operatives ranged across Victoria and included 9 in the country and 14 in the city. Their products and services were diverse e.g. printing waste recycling, tricycle production, chamois leathersgoods, rug making etc.

In August 1981 a planning group comprising the Business Adviser — Co-operative Federation of Victoria, Co-ordinator Transition Resource Unit, Co-ordinator Brunswick Work Co-operative and representative of the Ministry of Employment and Training met together to implement an education and training project designed to assist these co-operatives fulfil their objectives of becoming viable business enterprises.

The Vocational Orientation Centre had a history of involvement with these newly emerging co-operatives and also extensive experience in providing education and training services to other groups in the community such as Career Teachers, Community Workers etc. On the recommendation of the planning group, the V.O.C. applied for and received \$14,030 from the Ministry of Employment and Training to organise a pilot project of education and training for the period November 81 — January 82. The grant covered the costs of: residential conference; salaries of Project Officer and Business Consultants; TAFE lecturing fees and Business materials: Conference Papers and Evaluation Report: Administration.

#### Objectives of the Project

1. Provide a sound basis for small business practice which will enable co-operative groups to function more effectively as business enterprises.
2. Enable co-operative groups to assess their commitment to a co-operative business enterprise.
3. Provide a basis for determining the entrepreneurial abilities and needs of co-operative groups.
4. Enable co-operative groups to understand co-operative principles and practise their commitment to these.
5. Enable co-operative groups to understand and assess the Co-operative Development Program.

## PLANNING

The Planning group employed a short term project officer and met weekly with her throughout the duration of the project.

It was decided that within the constraints of the short and immediate time period available that the objectives of the project would be best met by providing a balance for participants between offering functional business skills, and discussion opportunities and educational input on the roles and relationships within co-operatives.

The planning group decided on three, centrally located, one day business workshops. These were held weekly to enable participants to have time to assimilate the new material they were learning. It was hoped that the application of new skills at Co-operatives between workshops would lead to further questioning during training.

The last of these business workshops was to be followed immediately by a two day residential conference to enable participants to place their new business skills within the particular parameters of a co-operative employment philosophy.

### PROJECT TIMETABLE

November	December	January
30+ Business Workshop 1	7th Business Workshop 2 11 Business Workshop 3 12 Residential Conference 13	Evaluation Conference Proceedings

The planning group and project officer undertook the following process to facilitate the project.

- o Contacting appropriate TAFE personnel to discuss the content and feasibility of conducting the Business Training Workshops in November/December
- o Contacting participants by letter and telephone to inform them of the planned Program. Once details of Workshops and Conference were finalised, participants were again notified.
- o Gathering and disseminating appropriate resource material and assisting with Co-operative Resource Kit.
- o Contracting consultants and other personnel to participate in the Co-operative Education Conference
- o Designing questionnaires to monitor the Workshops and Conference as a basis for later evaluation
- o Devising the agenda for Conference and questions for discussion groups
- o Writing conference proceedings and providing input for evaluation report.

## THE PROGRAM

### BUSINESS WORKSHOPS

#### Workshop Objectives:

The objectives of the Business Workshops were based on the Small Business Development Corporations Training and Education program for planning and starting a new Business. The relationship between Small Business Needs and co-operative principles was to be explored whilst giving major focus to:

- a) financing/financial systems
- b) marketing
- c) costing
- d) advertising
- e) feasibility of and product determination
- f) taxation, insurance, legal necessities
- g) formulating business plans
- h) profitability and viability
- i) shareholders
- j) identifying business opportunity

The Co-ordinator of TAFE Short Courses at Whitehorse Technical College consulted with the planning group to devise and implement the three one day workshops.

## BUSINESS WORKSHOPS

Business Area	Date	Topics	Comments
1. Basic Bookkeeping	30.11.81 7.12.81 11.12.81	Business Documents Cash Journals Bank Reconciliation	Supplementary material included a booklet, 'Record Keeping for Small Business', which contained copies of all the documents plus a series of practical exercises.
2. Debtors Control	7.12.81 11.12.81	Cost of Debtors and Records Systems and Control	Covered issues related to why credit is given and its cost. Supplemented and extended the session in Area 1, since the documents detailed in that session are integral to Debtor Control. Hand-outs were explicit and precise.
3. Cash Budgets	30.11.81		
4. Working Capital	30.11.81 7.12.81	The Balance Sheet Control of Working Capital	Two films, 'The Balance Sheet Barrier' and 'The Control of Working Capital' were discussion starters. All information re-inforced through practical exercises.
5. Business Planning	30.11.81 7.12.81 11.12.81	Basic Planning Wages Tax	The new Australian film, 'Plain Sailing', formed the basis for discussion on management, attention to book-keeping, the need for market research. Thus the importance of planning, in a systematic way, was emphasised.
6. Legal Structure	11.12.81	Forms of Business Sole Trader Partnership Companies	Forms of business ownership, sole trader, partnership and companies were detailed, together with legal liability and limitations/advantages of each.

## THE RESIDENTIAL CONFERENCE

The Ballarat College of Advanced Education was chosen as the venue for the two day residential conference because of its convenient location, its cheap, comfortable accommodation and meeting spaces, and the availability of excellent low cost catering.

### Conference Objectives:

- \* To explore the roles of Director, Co-ordinator/Manager and Worker in order to clarify the tasks involved in those roles.
- \* To discuss the ways in which those personnel do and/or should relate within the organizational structure of the co-operative.
- \* To consider the role co-operatives play both in relation to traditional work options, to unemployment and also their more general socio-political role.
- \* To enable participants to assess what work was involved in establishing and developing a co-operative business enterprise.

## CONFERENCE PROGRAM

### Saturday 12 December

Session	Facilitator/s	Comments/Focus
1. Presentation of Paper to whole group "Achievements, Problems and Prospects" of Community Employment Co-operatives.	David Griffiths	Established one of the themes of the Conference – "There need be no conflict between sound business principles and co-operative practice."
2. Small Discussion Groups Workers x 2 groups Co-ordinators x 1 group Directors x 1 group	Barbara Hammond David Griffiths Brian Greer	Participants examined the tasks/roles of co-operative personnel and their relationship within the co-op organizational structure.
3. Whole group: Report back from discussion groups	Tony Gill Richard Beer Ted Clark Sally Carey	One person from each group highlighted the major issues discussed. A broad framework of the defining characteristics of roles/tasks of Director Co-ordinator Worker emerged.
4. Synthesis Whole group	Malcolm Rodgers	Mr. Rodgers focussed on five salient issues arising from the day's discussion. These included type, function of and objectives of Co-operative; viability/survival, and political and economic forces on co-operatives.
5. Informal dinner provided for participants		

## CONFERENCE PROGRAM

### Sunday 13 December

Session	Facilitator	Focus/Comments
1. Marketing Paper followed by questions	Rhett Walker	Mr. Walker clearly outlined the five basic steps necessary to effectively apply the principles of marketing. Reiterated that co-operatives must function using sound business principles.
2. Presentation of paper and discussion 'The Balance within Co-operatives'	Malcolm Rodgers	Mr. Rodgers drew on NSW experience to detail some of the factors which affect a balance between a co-operative's aims and its effective operation.
3. Presentation of video 'Mondragon' – and follow up discussion	Neville Stern	Mr. Stern discussed the content of the video and extended discussion to address the issue of co-operative education and co-operative and social change.
4. Closing Session Discussion and feed-back from whole group.	Jeanette Fenelon	The assembly gave an assessment of their learning gains and unanimously stated a need for further education and training. Ms Fenelon thanked all participants and resource personnel for a lively and informative two days.

### Special Note:

The planning group met between each session and continually revised its proposed agenda to adapt to the needs of participants.

## EVALUATION

The Evaluation of the Workshops and Conference is based on four sources. An analysis was made of participants responses to two questionnaires — one on the final day of the Workshops and the other on the final day of the Conference. In addition participants made informal comments during workshops and made statements in the whole group and an assessment at the close of the conference. In order to further discuss participant's assessments of the content and ultimate usefulness of the Workshops and the Conference, the V.O.C. conducted follow-up telephone contact with participants. The final source of basic material utilized in making an evaluation was the assessment of the Project by the members of the Planning Group in attendance at the Workshop/Conference.

### WHO PARTICIPATED?

A total of sixty two personnel from twenty co-operatives/groups participated in the Education and Training Project. A brief profile of those participants is set out below:

Age	Sex	Position/Prospective Position in Co-op	Length of time in group
Under 20	11%	Female 23%	Workers: 67%
20-30 yrs	59%	Male 77%	Co-ordinators: 13%
31 yrs +	30%	Directors: 20%	2-3 yrs 9%
			3 yrs+ 4%

The co-operatives represented were:

#### Funded Co-operatives:

Ballarat Employment Co-operative  
Brunswick Work Co-operative  
Loch-Ard Trading Co-operative Warrnambool  
Bootstrap Trading Co-operative Maryborough

#### Co-operative information:

Turkish Women's Association  
Geelong Community Co-operative  
Collingwood Work Collective  
St. Kilda Food Co-op  
Shepparton Disabled Workers Co-operative  
Mandurah Health Food Shop Terang

#### Un-funded Co-operatives:

H.O.D.J.A. Co-operative  
The Learning Exchange Co-operative Malvern  
Public Images, Williamstown  
Wander Food, Elwood  
DO IT Doncaster  
W.O.R.C.O. Hawthorn  
Goldfields Community Radio Co-operative Castlemaine  
Sherbrooke Co-operative Workshop  
Producers and Recycling Co-operative Maryborough  
Group Involvement Morwell

In addition the following resource people were present at the Conference:

David Griffiths (M.E.A.T.), Brian Greer (Co-operative Business Adviser C.F.V.), Barbara Hammond (Director, V.O.C.), Rhett Walker (Marketing Consultant), Malcolm Rodgers (Co-operative Advisory Unit, N.S.W. Worker Co-operative Development Committee), Neville Stern (Director, Brunswick Work Co-operative), and Jeannette Fenelon (Project Officer, V.O.C.)

## RESPONSE TO THE WORKSHOPS

Sixty Eight per cent (68%) of participants attended one or more of the Business Training Workshops.

Forty six per cent (46%) of those were able to attend all three. In some cases groups sent different participants to each Workshop since work commitments at the end of the year militated against personnel being released to attend all three.

Ninety one percent (91%) of those who attended the final Workshop completed an evaluation questionnaire. Their responses to selected questions are given below.

- \* The basic material of the workshops at Whitehorse was:
- |   |     |
|---|-----|
| a) familiar to me and therefore of limited benefit      | 0%  |
| b) totally new to me and I found it difficult to follow | 11% |
| c) familiar in parts but overall informative            | 76% |
| d) just what I wanted                                   | 13% |

Note: Within that 76% response, 29% of participants had also indicated option (d). Those who chose (b) stated later that there was too much to learn in such a short time.

- \* Did you find the hand-out material useful?
- |     |     |
|-----|-----|
| Yes | 93% |
| No  | 7%  |

In further telephone contact, participants stated that the hand-out material was explicit and precise and could therefore help to transfer information and skills to members of co-operatives unable to attend the Workshops.

From participants ranking 1-4, the following were the most useful sessions.

1. Working Capital/Cash Budgets
2. Business Planning/Taxation-Wages
3. Debtor Control/Record systems
4. Business Documents

It is difficult to rank the above sessions from one to four since many participants gave two or more sessions equal ranking. This was further explained in the follow-up telephone evaluation when participants noted an obvious overlap between business areas.

- \* Did you think there was enough time allowed for questions

Yes 67%  
No 33%

Note: In the follow-up telephone contact, participants revealed that they would have liked more time to fully explore problems specific to their individual Co-operatives.

- \* Were there any areas on which you would have liked more information?

Representative suggestions included:

- \* Various tax deductions small businesses can make
- \* A section on marketing
- \* More input on co-operatives – particularly legal liabilities
- \* Methods of costing out contract work.

- \* Overall, did you find the Whitehorse Workshops to be:

a) of great benefit 61%  
b) of little benefit 0%  
c) of limited benefit 26%  
d) of benefit 13%

Note: Those who chose (a) amplified in later answers and in follow-up telephone evaluation that it was valuable that they could transfer to their groups a range of skills and information.

Comments included:

- \* The hand-out material was particularly useful and the guidelines for keeping documents valuable. (worker)
- \* I found the basic cash control material and the business documents sessions helpful. (worker)
- \* I gained a better overall understanding of how to operate a business and most particularly how to realistically plan for the future. Also methods of control in relation to debtors and creditors were helpful. (co-ordinator).

The twenty-six per cent (26%) who found the Workshops of limited benefit later added that

- \* There was not a strong enough orientation towards co-operatives. (worker)
- \* I already had those basic skills in book-keeping so the business sessions were too easy for me. However they were obviously useful to a lot of the other people. (Director)

## RESPONSE TO THE CONFERENCE

Seventy seven per cent (77%) of all participants attended one or two days of the Residential Co-operative Education Conference convened at the Ballarat College of Advanced Education with 80% able to attend both days.

Sixty one percent of Conference participants answered an evaluation questionnaire and their responses to selected questions are given below:

- \* Which sessions did you find most useful?

a) The small group discussions on roles of co-operative personnel, their rights and responsibilities	64%
b) The sessions conducted by resource personnel Rhett Walker, Malcolm Rodgers, Neville Stern	36%
c) The session on co-operatives themselves	4%
d) No Comment	13%

The above percentages illustrate the overlap of choice made by people who chose a) and b).

- \* Did you find any of the sessions were rushed? Not enough time for questions?

Yes 81%  
No 19%

In stating that sessions were rushed, most added later that they were valuable and stressed that two days was not sufficient time in which to address all the issues fully. Some solutions suggested were:

- \* That Conference Proceedings be written to take up and extend the issues discussed during the Conference.
- \* That 'Marketing Session' could be followed up by individual appointments with resource personnel.

Two thirds of the participants found the Conference “a good blend of theory and practicality”. The most positive gains made being:

- a) Contact with other groups and the exchange of information on different methods of organizational structure and management.
- b) The session on Marketing and follow up discussion
- c) General awareness of problems which could confront those about to establish co-operatives. Also strategies to counter those.

In the concluding session at the Conference, the assembly unanimously called for further education and training. They particularly emphasized that the following questions needed to be discussed in greater detail.

- \* How co-operatives fit into the traditional view of work.
- \* The roles, rights, responsibilities and status of people working co-operatively.
- \* The organizational structures applicable to co-operatives. Case studies and/or simulation games were also suggested.
- \* An examination of the relationship between the co-operative: the product: and the market.
- \* Management techniques.

## SUMMARY

In the assessment of the Planning Group, the immediate gains for participants in the integrated five-day Education and Training Project were:

- \* The opportunity to exchange information ideas with other co-operative personnel and form on-going links amongst co-operatives.
- \* An acquisition of basic business skills such as the ability to set up and maintain a record keeping system suited to the scale and scope of the co-operative.
- \* An increased awareness of the need to follow established business practices in the setting up and maintenance of a viable co-operative small business.
- \* An understanding of the need for competent, constant scrutiny of business documents in order to adequately and realistically plan for the future.
- \* An increase in confidence to apply information and skills in contributing to the decision-making process within co-operatives.
- \* A fuller understanding of the day-to-day operations of Co-operative small business and an increased ability to tackle related problems.
- \* The acquisition and development of relevant resources. For example the hand-out material at Workshops and Conference and the development of the Co-operative Resource Kit.



From the participant response, it is clear that two thirds found the Pilot Project of value and wished to continue the opportunity to access further education and training. Approximately one third found it of limited value due mainly to the great diversity in age, experience, educational background and skills among participants. This diversity meant that the rudimentary business sessions were too easy for some and the more advanced sessions were too difficult for others.

Similarly, the level of discussion regarding the philosophy and organizational structure of co-operatives was, for some, a re-working of ground all ready covered in their co-operative. For others it was the first time they had focussed on those issues and their ability to contribute to discussion was, accordingly, limited. The discrepancy in both needs and skills was further heightened by the differences in understanding between those involved in established and emergent co-operatives.

Mr. Ross Delbridge [Head of Study Area – Small Business – TAFE Board] indicated that there was an obvious need for general business training among co-operatives personnel. In addition, he advised that it would be valuable to conduct a thorough preliminary needs analysis of participating co-operatives in order to tailor future programs to the differing skills levels. He recommended that specific Workshops be run for those involved in the marketing of similar products and services. The planning group has taken the above limitations and suggestions into account in making its recommendations.

## RECOMMENDATIONS

That a further twelve month education and training program be immediately undertaken.

That such a program provides for the following:

- a) individual consultation and discussion with co-operatives to determine their training needs.
- b) sound business skills be made available generally to all co-operative participants.
- c) advanced business skills be offered to specific co-operative participants, e.g. management skills for co-ordinators.
- d) special induction programs to be devised for newly funded, or co-operatives intending to apply for funding; emphasis be given to the place of education and training in their business plans.
- e) individual training programs for the needs of one co-operative or small groups of co-operatives defining common needs (e.g. focus-based such as food, printing etc.) be organised;
- f) state residential conferences involving all participants to be held, allowing for both formal and informal discussion. They should focus on co-operative organizational structures, the relationship between the co-operative, the product, the market and the social context of co-operatives.
- g) the acquisition, development and dissemination of information and resources pertinent to co-operatives to participants and the general public.

## EXPENDITURE

Residential Conference	2,521
Salaries of Project Officer and Business Consultants	5,217
TAFE Lecturing fees and Business materials	2,450
Conference papers and production of Co-operative Resource Kit	2,642
Evaluation of Project	500
Administrative support VOC	700
<b>TOTAL</b>	<b>14,030</b>

### Acknowledgement:

The Vocational Orientation Centre and the Planning Group acknowledge the assistance of the Ministry of Employment and Training in providing the funding for the Pilot Project.